

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

WASHINGTON, D.C. 20460

April 20, 1999

CHEMICAL EMERGENCY
PREPAREDNESS AND PREVENTION
OFFICE

Fuels & The Risk Management Program

The Environmental Protection Agency (EPA) intends to issue an interim stay of the effective date of the Clean Air Act section 112(r) Risk Management Program (RMP) rule as it applies to flammable hydrocarbon fuels, including propane, butane, ethane, propylene, and methane, stored in quantities no greater than 67,000 pounds in a process. Currently, facilities with more than 10,000 pounds of any listed flammable substance in a process must submit a Risk Management Plan to EPA by June 21, 1999. "In a process" means one or more tanks that are interconnected or located close enough together that a release from one tank could result in a release from neighboring tanks ("collocation").

EPA plans to propose an exemption from the RMP rule for flammable hydrocarbon fuels that are stored in separate tanks that are no larger than 18,000 gallons. Since under existing standards, an 18,000-gallon propane tank may normally be filled to no more than 88% of its capacity and propane represents the vast majority of fuel use among listed flammables, the Agency intends to cap eligibility for the exemption at 67,000 pounds. Fuel stored in multiple tanks that are interconnected or collocated and have an aggregate amount of more than 67,000 pounds, or stored in tanks that are interconnected or collocated with another process covered by the RMP rule, would not be eligible for the exemption. EPA intends to stay the rule as it applies to fuels that would be eligible for the proposed exemption while it conducts rulemaking to establish the exemption.

Representatives of fuel users have urged EPA not to apply the RMP rule to flammable hydrocarbons when used as fuel. After reviewing the available information, EPA believes that when regulated flammable hydrocarbons are used as fuel (e.g., for heating or drying) and are not interconnected to or collocated with another process covered by the RMP rule, they do not generally present a significant risk to the surrounding community. Typically, use of regulated flammable hydrocarbons as fuel is a simple process and does not involve storage of large quantities onsite. Consequently, fuel use generally occurs in circumstances and amounts that do not result in the kind of risk the RMP rule was intended to address. By contrast, regulated flammable hydrocarbons when used as a feedstock in a manufacturing process, stored in large quantities on-site, or interconnected with a covered process pose a significant risk of catastrophic accidental release.

In light of its review, EPA believes it is appropriate to propose exempting from the RMP rule flammable hydrocarbons when used as a fuel in a separate process in amounts that do not pose a significant risk to the surrounding community. For the sake of administrative simplicity, EPA plans to propose exempting flammable hydrocarbon fuels to the extent they are stored in an amount not exceeding 67,000 pounds in a process and are not interconnected or collocated with another covered process at the facility. Based on available information, EPA believes that fuels exempted under this provision would be used as fuel in circumstances that do not pose a significant risk. The Agency intends and expects the proposed exemption to provide relief to fuel users such as farms, hospitals, restaurants, and hotels. The Agency does not intend the exemption to provide relief to industrial users or fuel retailers and distributors, as EPA believes those facilities' use, storage and handling of large quantities of regulated fuels continues to present a serious risk to the surrounding community that warrants coverage by the RMP rule. While EPA believes that the 67,000-pound criterion described above will be sufficient to distinguish between fuel users and fuel retailers and distributors, the Agency will take comment on whether additional criteria are needed to ensure that the exemption is properly utilized.

For more information: Contact EPA's hotline at (800) 424-9346 (during regular business hours) or the Chemical Emergency Preparedness and Prevention Office website (www.epa.gov/ceppo).